



Foreign Agricultural Service

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Romania

Oilseeds and Products

GOR Bans Sunflowerseed Exports/Waives Import

Duties

2001

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Report Highlights:

The Government of Romania (GOR) decided on September 13, 2001 to ban exports and to waive import duties for sunflowerseed. Agriculture Ministry officials report that GOR took this decision in view of poor the 2001 crop and to avoid domestic edible oil shortages. Some sunflowerseed exports will be allowed, if exporters can prove that they have valid contracts and made payments before August 2001. Trade sources indicate that Romania will import approximately 100,000 MT of sunflowerseed, mostly from from Moldova and Ukraine. The short MY01 sunflowerseed crop may result in improved opportunities for U.S. exports of soybeans and soybean meal to Romania, as a substitute product.

Includes PSD changes: No
Includes Trade Matrix: No
Unscheduled Report
Sofia [BU1], RO

The GOR has decided to ban Romanian exports of sunflowerseed (HTS Codes 1206 00 10, 1206 00 91 and 1206 00 99) for three months. The GOR also decided to waive duties for sunflowerseed imports for the same HTS Codes, also for three months. The GOR decision entered into force after its publication in the "Official Monitor" (the equivalent of the Code of Federal Register), on September 25, 2001. Current duties for sunflowerseed imports are 30 percent.

The GOR's decision also states that some exports will still be allowed but only if contracts were concluded and payments were made before August 20, 2001. According to trade contacts, some 100,000 MT of sunflowerseed will be exported because of this exception.

Ministry officials indicated that the GOR was forced to take this decision in view of the poor 2001 sunflowerseed crop. The crop was affected by drought in the southern and eastern regions which resulted in 20 to 100 percent losses on planted area of 356,000 hectares. Ag Bucharest estimates that Romania's 2001 sunflowerseed crop will total 650,000 MT, from a total harvested area of 680,000 hectares. This year's production will cover about 75 percent of domestic edible oil requirements.

Trade sources indicate that Romanian imports of sunflowerseed of up to 100,000 MT will be purchased from Moldova or Ukraine, provided Ukraine will not institute an export tax on sunflowerseed. The amount of imports will depend on the financial situation of domestic crushing plants. Currently, only 2-3 crushing plants are able to effect imports. The current domestic producer price for sunflowerseed is \$170-175/MT on farm.

The short sunflowerseed crop is expected to result in better opportunities for exports of U.S. soybeans and soybean meal to Romania. U.S. soymeal is a good substitute for sunflowerseed meal in livestock rations, especially for broilers and hogs.